LegalAid

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The Saskatchewan Legal Aid Commission presents the...

2011 - 2012 Annual Report

LegalAid

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MISSION
We promote access to justice for eligible persons through the provision of quality legal assistance.

VISION
The Saskatchewan Legal Aid Commission will be an innovative, collaborative legal aid system that responds to the needs of low income persons.

LEGISLATIVE MANDATE
The Legal Aid Act and *The Legal Aid Regulations* provide the legislative mandate for The Saskatchewan Legal Aid Commission.

Existing since 1974, The Saskatchewan Legal Aid Commission provides legal services to persons and organizations for criminal and civil matters where those persons and organizations are financially unable to secure these services from their own resources.

STAFF PROFILE
Legal Aid Saskatchewan uses a salaried staff delivery model for most of its applicants (92% of its cases in 2011-12). At March 31st, 2012 Legal Aid had 162 staff positions located in 14 offices throughout the province.

Legal Aid Saskatchewan is a unionized environment with approximately 86% of the staff represented by CUPE local 1949.

Legal Aid has many long service employees with 42 staff members (approximately 25%) employed with the organization for over 25 years.

The employment equity profile for Legal Aid breaks down as follows: 14.8% of our staff have self-declared as Aboriginal, 6.8% of our staff are persons with disabilities, and 1.9% of our staff are visible minorities. As well, 33.3% of our management team are female.

ELIGIBILITY
Applicants are financially eligible for services if:
- they are receiving income from Social Assistance; or
- their financial resources are at Social Assistance levels; or
- the costs of obtaining the services from a private lawyer would reduce their financial resources to Social Assistance levels.

SERVICE
Legal services are provided to financially eligible applicants if the service requested falls within the range of services provided by The Saskatchewan Legal Aid Commission, and if the matter has professional merit. Services are provided in Criminal matters (adult and youth) and family law. Immediate advice is available to those arrested or detained.

Summary advice and information may be provided to anyone about a wide range of matters if they involve no more than a brief interview or telephone call.

To illustrate with a couple of examples, in 2011-2012, financially eligible persons included single people making less than $12,000 (net) per year and families with four children with incomes less than $23,000 (net) per year.

CLIENT DEMOGRAPHICS
- 69% of our clients have self-identified as Aboriginal, 19% as Non-Aboriginal and 11% did not identify as either. Of those who identified as Aboriginal, 85% were for criminal matters while only 15% were for family matters. 70% of our Aboriginal clients were male.

- 15% of our clients lived in Saskatoon at the time of their application; 14% were from Regina, and almost 9% were from Prince Albert. La Loche is our highest rural location with 310 or 1.8% of our clients from that Northern town.

- 68% of our clients are male leaving 32% female. The proportions change when you sort by case type. For criminal cases, 80% of our clients are male. Of our Family cases, 75% of our clients are female.

- Family size is an element of our financial contribution system so we track the number of children our clients have. 68% of our clients have no children, 25% of our clients have between 1 and 3 children and 7% of our clients have 4 or more children.

Her Honour
The Honourable Vaughn Solomon Schofield
Lieutenant Governor of the
Province of Saskatchewan

May It Please Your Honour:

I have the pleasure to transmit to your Honour the Annual Report of The Saskatchewan Legal Aid Commission for the year ending March 31, 2012.

Respectfully submitted,

Gordon Wyant Q.C.,
Minister of Justice and Attorney General

THE HONOURABLE GORDON WYANT, Q.C.
MINISTER OF JUSTICE AND ATTORNEY GENERAL
PROVINCE OF SASKATCHEWAN

Dear Mr. Wyant:

It is my pleasure to forward to you the Annual Report of The Saskatchewan Legal Aid Commission according to *The Legal Aid Act*, depicting the affairs of the Commission in the 2011-2012 fiscal year.

Respectfully submitted,

W. Brent Gough, Q.C.
Chairperson

CRAIG W.J. GOEBEL, *CEO*

In April, 2012, I was welcomed most graciously as the new Chief Executive Officer of Legal Aid Saskatchewan by the Commission, led by its Chair, Brent Gough, Q.C. and by the staff at Central Office and lately in offices around the province. Therefore, this report is about the endeavours of now-retired CEO, Allan Snell, Q.C. and the dedicated workers of Legal Aid Saskatchewan.

I am pleased to report that Legal Aid Saskatchewan had another year of successfully meeting its obligations and more so its challenges. High-quality legal services were provided to nearly 18,000 clients, in the areas of criminal and family law, by legal staff in 14 offices around the province, on an exceptionally cost-efficient basis. In addition to attending all levels of courts in major municipalities, our criminal defence lawyers served clients by attending 67 rural and remote Provincial Court points, often flying-in and many times driving long distances to the courts. Family practitioners and legal assistants worked with clients on just about every kind of legal matter within LAS's mandates for helping families and children.

The new information management system (Legal Aid Information Network – LAIN) has been in service for more than a year and is proving to be quite user-friendly; from this repository of data incisive and comprehensive reports are being extracted, which will help Directors devise ways to improve client service. With better information and by systematically asking staff members about their job functions and activities, we continued to look at how to work more effectively and to develop and implement new processes that enhance working conditions. Also, several professional development programs were produced and presented by Legal Aid staff for their colleagues and other interested parties. Such volunteerism is to be commended and encouraged. LAS has been accredited by the Law Society to provide training, which affords lawyers more opportunities to learn and acquire PD credits economically.

As will be happening more in the near future, some long-term employees retired; their camaraderie and experience will be sorely missed. However that may be, LAS must recruit replacements: hopefully, young lawyers and support staff keen to work in the rural and more remote offices, where vacancies often result whatever places were left by experienced lawyers and legal assistants. With a solid mix of senior and younger staff, LAS will be able to take charge of the opportunities coming and the challenges it faces to extend to those who require legal aid more services and better advice, through innovative procedures and enhanced communication.

"Legal Aid" is an integral part of the justice system; without its presence in a robust form there are deficits in the provision of necessary legal services to those most in need of and least able to afford them, reducing "access to justice for all", thus diminishing our civil society wherein all people are deemed worthy. As it has been doing, LAS will look for ways to serve more low income people and better. We will continue to engage with justice system partners and stakeholders: the judges and court services, the prosecutors, the private bar, Aboriginal communities and the Saskatchewan government, particularly the Ministry of Justice, to find more efficient ways to operate within the justice system. LAS had again this past year the support of now former Justice Minister Donald Morgan, Q.C. and substantial funding from the Provincial government, both of which are much-appreciated. We look forward to working with Gordon Wyant, Q.C., the new Minister of Justice.

During the past year we bade farewell to the following retiring employees:

- Shirley Faris
- Lorraine Sebelius
- Jim Johnson
- Trish Martynook

Over the year we welcomed the following new employees to Legal Aid Saskatchewan:

- Corry Dorosh
- Karen Linder
- Nina Lindskog
- Vesna Morris
- Tyler Olson
- Jenn Pasieka
- Brendan Pyle

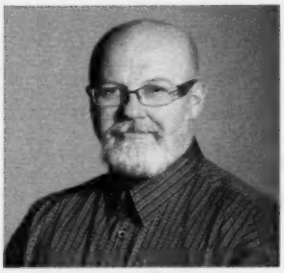
The private bar lawyers who work on the Legal Aid Tariff deserve our appreciation as well.

Finally, thanks must go to the people in the area offices who perform this necessary work, for their skill and dedication.

For my part, looking ahead as I begin my service as CEO, I am much-enthused by the prospect of meeting the challenges bearing on and to come for Legal Aid Saskatchewan. Briefly, I see my primary responsibilities as facilitating the work of our excellent staff and furthering the efforts of Legal Aid Saskatchewan to meet its responsibilities to the people of Saskatchewan. Supported by the good will of that staff, the Directors and the Commissioners, I hope to do well for all interested parties, by working hard and exceeding expectations.

KEN ACTON
Regina
Appointed by the Minister of Justice and Attorney General

MARIA CAMPBELL
Saskatoon
Appointed by Lieutenant Governor in Council



MICHAEL DUNPHY
Saskatoon
Appointed by the Minister of Social Services

GARY EAGLE
Saskatoon
Appointed by the Lieutenant Governor in Coucnil

W. BRENT GOUGH, Q.C.
Chair - Saskatoon
Appointed by the Lieutenant Governor in Council

IRWIN HENNIE
Saskatoon
Appointed by the Lieutenant Governor in Council

RONALD KRUZENSKI, Q.C.
Regina
Appointed by the Law Society of Saskatchewan

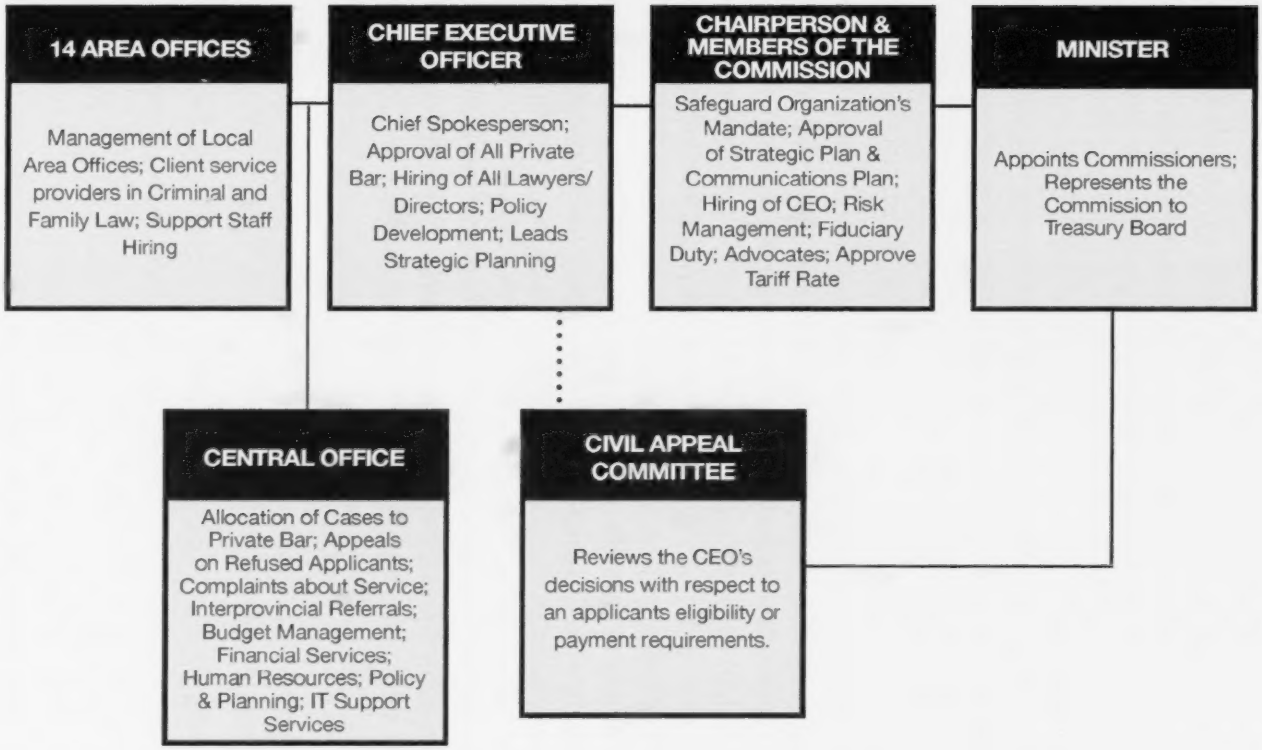
MARY-LYNN WASCHUK
Waskesiu Lake
Appointed by the Lieutenant Governor in Council

JAY WATSON
Saskatoon
Appointed by the Law Society of Saskatchewan

ALMA WIEBE, Q.C.
Saskatoon
Appointed by the Lieutenant Governor in Council

MEMBERS FROM APRIL 1, 2011 TO MARCH 31, 2012

The Legal Aid Act provides for the appointment of ten members – two appointed by the Law Society of Saskatchewan, six members appointed by the Lieutenant Governor in Council, one member who is an employee of the Ministry of Justice appointed by the Minister of Justice and Attorney General and one member who is an employee of the Ministry of Social Services appointed by the Minister of Social Services.


14 AREA OFFICES
Management of Local Area Offices; Client service providers in Criminal and Family Law; Support Staff Hiring
CHIEF EXECUTIVE OFFICER
Chief Spokesperson; Approval of All Private Bar; Hiring of All Lawyers/ Directors; Policy Development; Leads Strategic Planning
CHAIRPERSON & MEMBERS OF THE COMMISSION
Safeguard Organization's Mandate; Approval of Strategic Plan & Communications Plan; Hiring of CEO; Risk Management; Fiduciary Duty; Advocates; Approve Tariff Rate
MINISTER
Appoints Commissioners; Represents the Commission to Treasury Board
CENTRAL OFFICE
Allocation of Cases to Private Bar; Appeals on Refused Applicants; Complaints about Service; Interprovincial Referrals; Budget Management; Financial Services; Human Resources; Policy & Planning; IT Support Services
CIVIL APPEAL COMMITTEE
Reviews the CEO's decisions with respect to an applicants eligibility or payment requirements.

MANAGEMENT TEAM AT MARCH 31ST, 2012

Allan Snell, Q.C.
Chief Executive Officer

Jerome Boyko
Director of Finance

Julian Demkiw
Director of Planning & Administration

Dona Jones
Director of Human Resources

David Andrews, Q.C.
Director, Regina Rural Area Office

David Bright
Director, Yorkton Area Office

George Combe
Director, Saskatoon City Criminal Legal Aid Area Office

Pamela Cuelenaere Q.C
Director, Prince Albert Area Office

Alice Robert
Acting Director, Northern Area Office

Janice Lawrence, Q.C.
Director, The Battlefords Area Office

Adrian McBride
Director, Swift Current Area Office

Donald Mullord, Q.C.
Director, Saskatoon Rural Area Office

Rosanne Newman, Q.C.
Director, Meadow Lake Area Office

Jamie Struthers Q.C.
Director, Regina City Area Office

Mervyn Shaw, Q.C.
Director, Moose Jaw Area Office

Kelly Shaw
Director, Saskatoon City Family Legal Aid Area Office

Robert Grimsrud
Director, South East Area Office

Barry Treacy, Q.C.
Director, Melfort Area Office

CENTRAL OFFICE
#502 – 201 21st Street East
Saskatoon, SK S7K 0B8
Phone: 933-5300 Fax: 933-6764
Toll Free: 1-800-667-3764
E-mail: central@legalaid.sk.ca
Chief Executive Officer: Craig W.J. Goebel

SASKATOON CITY CRIMINAL LEGAL AID AREA OFFICE
#1053 – Sturdy Stone Centre
122 Third Avenue North
Saskatoon, SK S7K 2H6
Phone: 933-7820 Fax: 933-7827
Toll Free: 1-877-424-1898
Legal Director: George Combe

MEADOW LAKE AREA OFFICE
Unit #3, 101 Railway Place
Meadow Lake, SK S9X 1X6
Phone: 236-7636 Fax: 236-7634
Toll Free: 1-800-461-8188
Legal Director: Karen Srodulski

PRINCE ALBERT AREA OFFICE
Box 3003, 11th Floor L.F. McIntosh Building
800 Central Avenue
Prince Albert, SK S6V 6G1
Phone: 953-2850 Fax: 953-2866
Toll Free: 1-877-424-1900
Legal Director: Pamela Cuelenaere, Q.C.

NORTHERN AREA OFFICE
Box 5000
Mistasinihk Place1328 La Ronge Avenue
La Ronge, SK S0J 1L0
Phone: 425-4455 Fax: 425-4472
Toll Free: 1-800-667-4095
Legal Director: Kimberly Earing

SOUTH EAST AREA OFFICE
Main Floor, 1302 3rd Street
Estevan, SK S4A 2V6
Phone: 637-4620 Fax: 637-4625
Toll Free: 1-877-424-1903
Legal Director: Robert Grimsrud

SWIFT CURRENT AREA OFFICE
3rd Floor, 350 Cheadle Street West
Swift Current, SK S9H 4G3
Phone: 778-8272 Fax: 778-8307
Toll Free: 1-877-424-1905
Legal Director: Adrian McBride

REGINA CITY AREA OFFICE
Suite 200, Dunning Place
1871 Smith Street
Regina, SK S4P 4W5
Phone: 787-8760 Fax: 787-8827
Toll Free: 1-877-424-1897
Legal Director: Jamie Struthers, Q.C.

SASKATOON RURAL AREA OFFICE
#941 – Sturdy Stone Centre
122 Third Avenue North
Saskatoon, SK S7K 2H6
Phone: 933-7855 Fax: 933-7854
Toll Free: 1-877-424-1899
Legal Director: Donald Mullord, Q.C.

THE BATTLEFORDS AREA OFFICE
Main Floor, Provincial Building
1192 102nd Street
North Battleford, SK S9A 1E9
Phone: 446-7700 Fax: 446-7598
Toll Free: 1-877-441-4418
Legal Director: Janice Lawrence, Q.C.

MELFORT AREA OFFICE
P.O. Box 6500
3rd Floor, 105 Crawford Avenue East
Melfort, SK S0E 1A0
Phone: 752-6220 Fax: 752-6127
Toll Free: 1-877-424-1901
Legal Director: Rosanne Newman, Q.C.

MOOSE JAW AREA OFFICE
#113 – 110 Ominica Street West
Moose Jaw, SK S6H 6V2
Phone: 694-3700 Fax: 694-3738
Toll Free: 1-877-424-1902
Legal Director: Mervyn Shaw, Q.C.

YORKTON AREA OFFICE
#301 – 120 Smith Street East
Yorkton, SK S3N 3V3
Phone: 786-1440 Fax: 786-1405
Toll Free: 1-877-424-1904
Legal Director: David Bright

REGINA RURAL AREA OFFICE
#200 – 2400 College Avenue
Regina, SK S4P 2C5
Phone: 787-1141 Fax: 787-2316
Toll Free: 1-877-424-1906
Legal Director: David Andrews, Q.C.

SASKATOON CITY FAMILY LEGAL AID AREA OFFICE
#155 – Sturdy Stone Centre
122 Third Avenue North
Saskatoon, SK S7K 2H6
Phone: 964-2200 Fax: 964-2222
Toll Free: 1-877-324-2200
Legal Director: Kelly Shaw

The Board of Commissioners of Legal Aid Saskatchewan have identified three areas that are used to define and measure success for Legal Aid:

- ***A client's ability to access our services***
- ***The quality and perceived quality of our services***
- ***The organizational "health" of Legal Aid***

These areas of success serve as signposts on our path to achieving our mandate of *"providing legal services to those that cannot afford them from their own means."* Each area of success has different measures that tell us if we are closer to, or further away, from meeting our definition of success. These measures have been articulated and reported on in the past few Annual Reports.

To complement these areas of success, we've added two more elements to the picture to better round out the Commission's "strategic planning process". The first element is a full year of implementation for our new database, the Legal Aid Information Network (LAIN). Launched in November 2011, LAIN has now produced a whole fiscal year of data for us to work with. This Annual Report will include, for the first time, the most comprehensive data we've ever collected about our clients and the services they receive. This means you will see some potentially significant changes in our numerical data. These changes more accurately reflect what has been occurring in Legal Aid for years rather than indicate any major shift in how or when we provide our service. LAIN has not only allowed us to more accurately report on the work of Legal Aid, it has shown us information about the client experience we've never seen before. Although there is no perfect method for capturing information about the more than 20,000 individuals who request our services, we are always working towards a better way of understanding our clients and the work we do. This new and more accurate information is an invaluable tool to assist us in ultimately providing our clients with better service.

A second element we've added to the picture is a strategic, but practical, review of these measures at the area office level. We've designed a strategic planning process that works with the Commission's measures by focussing on the providers of our service, the area offices. Research is occurring at each area office to uncover the current strategies that our offices use to provide client service. For example, some offices require appointments for clients to assess eligibility; some allow walk-ins on a first-come/first-served basis. Each approach is a strategy that specific offices have created to serve their clients.

We call these "emergent strategies" because they didn't come from a boardroom or planning day exercise but rather emerged from the day-to-day evolution of work done at each office. The goal of this exercise is to look at these strategies which have evolved over time and see how they impact today's definitions of success. This process respects the uniqueness of the communities that created our current area offices but still guides each one to the collective definition of success as outlined by the Commission.

As of the writing of this report, six of the fourteen offices have been researched, and we are only in the early stages of acting on these recommendations. Our plan is to complete the research for all offices for the 2012-13 annual report. At that time we will be able to not only describe the actions we have recommended but also the effects of those actions on access, quality, and the health of our organization.

What you will see in this report are details on measures collected to date and some highlights of each area that we have focused on here at Legal Aid Saskatchewan. Information on caseloads and finances can be found throughout the Annual Report.

We know Legal Aid is successful when those that need us the most can access our services consistently, regardless of their circumstances.

Current Measures of Success

- Waiting times for clients to connect with a lawyer for their first appointment
- Number and relative proximity of physical access points for clients
- Number of formal denials
- Appropriate proportion of family law and criminal cases.

Summary of Measures

A person's ability to connect with our services is of paramount importance to Legal Aid. We've chosen to concentrate on measures that touch upon a wide range of access issues such as: physical access, eligibility to receive services, and waiting times.

WAITING TIMES: AVERAGE ACROSS OUR FOURTEEN OFFICES

	Criminal Adult	YCJA	Family Matters
At May 2012	2.6 wks	3 wks	3.2 wks
At May 2011	3.5 wks	2.9 wks	3.8 wks
At Sept. 2009	2.8 wks	2.4 wks	3.3 wks
At Sept. 2008	2.8 wks	2.4 wks	3.3 wks

OTHER MEASURES

	2008/09	2009/10	2010/11	2011/12
Notice of Denials	2752	3187	2807	2976
Appeals on Denials	743	925	869	811
Proportion of Family Law to Criminal Law	19/81	17/83	19/81	19/81

HOW BETTER DATA ASSISTS IN UNDERSTANDING ACCESS ISSUES

Legal Aid currently has four criteria for determining who we will be able to serve:

- Financial – based on average annual income and family size (46% of Denials)
- Range – based on the type of services required (37% of Denials)
- Discretion (Case) – based on the professional merits of the case (7%)
- Discretion (Client) – based on the administrative needs of the client (10%)

With new ways of collecting data we not only know how people are getting denied service but we can get a better understanding of who is more likely to be denied service from Legal Aid Saskatchewan.

- Geographically speaking, 27% of individuals formally denied services live in Saskatoon. Regina and Prince Albert residents (18% and 7% respectively) combine to account for over 50% of all those denied services of Legal Aid.
- Almost 2/3rds of all formal denials (65%) were single males, but this is no small surprise as this group also makes up our largest number of applicants as well (approx. 50%).
- Although one may think that being employed will ensure an individual is above our eligibility guidelines, only 40% of those formally denied service were listed as employed at the time of application.
- We do see a slight disproportion in our criminal vs. our family law client denials. Although family law clients only make up 19% of our cases, they account for over 27% of the denials within the system.

Formal denials only tell part of the story when it comes to access issues. Last year, over 900 individuals had their files discontinued with Legal Aid. These are individuals who have interacted with administrators at our offices but never returned with key documents or they failed to keep their first appointment with a lawyer. Half of these files are family law applicants and a large proportion (about 40%) are clients who come from rural locations.

We also see that some clients lose contact with Legal Aid. Although none of these individuals are denied our services, they simply "drop off the map"; they usually do not attend either appointments with lawyers or court dates. After a period of no contact with a client, their case is closed as abandoned. Close to 1800 cases were closed last year as abandoned due to the client losing contact with Legal Aid. This is a key statistic we've never been able to capture before.

This new information we are able to collect about those that receive our services is important, but it is even more important to learn about those that do not access our services. Whether they apply and self-select out or are denied service based on our policies or administrative procedures, by learning more about those we do not serve, we can use that information to ensure we are as accessible as possible.

We know Legal Aid is successful when we consistently provide high quality service to each of our clients that is in line with our organizational values.

Measures of Success

- Appropriate number of cases/offices
- Appropriate level of professional development for staff
- Number of complaints received
- Average years of service of staff

Summary of Measures

Measuring quality is one of the most difficult measures of a service organization, but also one of the most critical. What we have chosen to do is focus on those measures that can be clear indicators of our ability to provide quality service: caseloads, staff experience, staff training, and feedback on the services we offer. You'll see some measures listed below but much more detailed information on caseloads is listed later in the report.

MEASURES OF QUALITY SERVICES

	2008/09	2009/10	20010/11	2011/12
Formal Complaints	67	54	67	38
Prof. Dev. $/FTE	$614	$891	$763	$659
Prof. Dev. Hours/Lawyer	n/a	n/a	30.8	28.8
Avg. Years of Service	14.14	13.72	14.57	14.83

INTERNAL PROFESSIONAL DEVELOPMENT

The Law Society of Saskatchewan regulates the legal profession in the public interest by ensuring its members meet and maintain high standards of integrity and competency. It does so by requiring its members to receive a minimum level of professional development in order to maintain their status as practicing lawyers in Saskatchewan. In 2010, Legal Aid Saskatchewan received approval from the Law Society of Saskatchewan as an official provider of continuing professional development (CPD) credits.

With such a critical mass of experienced lawyers it made sense that we would tap into the collective knowledge within the organization. Legal Aid Saskatchewan is home to one of the largest collections of lawyers in the province and nobody knows more about Legal Aid service than we do. In 2011/12, Legal Aid Saskatchewan lawyers provided eight CPD credit sessions:

- Mar 19, 2012 Economic consequences of spousal breakdown
- Feb 10, 2012 Fitness to stand trial
- Jan 13, 2012 Dangerous offender applications
- Dec 13, 2011 Arbitrary detention and right to counsel
- Nov 4, 2011 Long term and dangerous offenders
- Oct 14, 2011 Reasonable expectation of privacy and sentencing challenges

As well, there are two family law specific CPD sessions organized by Legal Aid each year.

The quality presentations made by Legal Aid lawyers aren't just for our own benefit; sessions are also available to *any* practicing lawyers in the province. This past year Crown Prosecutors and private bar lawyers from around the province partook in these sessions learning from the experiences of our staff lawyers.

We know that Legal Aid is successful when we are a healthy organization characterized by strong fiscal and resource management, employee wellness and leadership with vision for the future.

MEASURES OF SUCCESS

- Budget to actual expenditure variance
- Budgetary value compared to other Legal Aid plans
- Appropriate staff retention rates
- Employee absences/engagement

SUMMARY OF MEASURES

Service organizations, like Legal Aid, often focus on service outputs when measuring success. It is sometimes easy to forget that quality services require a strong, healthy organization from which to provide these services. Strategies that are developed to recruit staff and keep them engaged in the organization are critical factors in Legal Aid's success. Strong financial management is also key in order to ensure resources are used in the most effective manner. The Commission believes these factors combine with purposeful vision to build an organization that is healthy enough to provide our clients with access to justice.

Please note that most descriptors of our financial health will be found throughout this report but others are highlighted below.

EMPLOYEE WELLNESS

	2008/09	2009/10	2010/11	2011/12
Employee Sick Time (Days/ Employee)	10.03	10.46	9.03	8.64
Staff Retention Rates: Lawyers	3 of 84	3 of 90	3 of 88	1 of 88
Staff Retention Rates: Admin Staff	4 of 79	2 of 77	3 of 77	3 of 77
Retirements: Lawyers	0 of 84	1 of 90	2 of 88	2 of 88
Retirements: Admin Staff	2 of 79	3 of 77	1 of 77	2 of 77

	2008/09	2009/10	2010/11	2011/12
% Expenditures Spent on Central Administration	6.63%	6.20%	7.68%	7.42%
Total Government Funding	$20,315,000	$21,209,000	$21,371,000	$22,063,000
# of cases to PB	1981	1268	1283	1434

UNDERSTANDING OUR BUDGET PROCESSES

The budget for a service organization is one of its more critical documents. Understanding where our funds are spent is an ongoing task at Legal Aid Saskatchewan. At Legal Aid, we are either planning next year's budget, evaluating this year's budget, reporting to the Ministry or working with the Auditor to evaluate the previous year's internal procedures and expenses. This constant evaluation and inspection process is standard practice at Legal Aid and all part of our accountable and efficient budgeting efforts.

Put in context, Legal Aid Saskatchewan receives 99% of its revenue from Government sources. Put in context, our Western Canadian Legal Aid counterparts (BC, Alberta, and Manitoba) all receive 90% of their funding from the Government receiving the remainder from client contributions or contributions from their provincial Law Foundations. We spend proportionately less than any other Legal Aid plan in Canada on Central Administrative costs with 94% of our expenditures directed to our service offices.

Legal Aid Saskatchewan's service model is exceptional, with over 92% of its cases handled by staff lawyers. Most Legal Aid plans hire private lawyers on a contract basis to complete all or a majority of their work. We use private bar lawyers only when conflicts or staff vacancies/workloads require us. Over 72% of the costs of Legal Aid are paid to staff in salaries and benefits. When combined with the dollars we do spend on private bar lawyers, 85% of Legal Aid Saskatchewan's funds are direct human resource costs. The major expenses not associated with human resources are the cost to house our staff and to travel to connect with clients and meet court commitments. At approximately $1.4 million dollars last year, our office rent/ leases accounted for approximately 6.7% of our budget. Travel comes in at $.75 million or approximately 3.2% of our budget.

When staffing issues arise we look internally to find efficiencies first. Where we house our staff is largely governed by the requirements of the Ministry of Government Services. Travel costs are primarily dictated by the court point requirements set out by the Provincial Court. External pressures and service requirements guide our organizations largest expenditures.

Despite the minimal discretion we have in these budget areas, we continually manage the risks of our volatile line items, anticipate service requirements through multi-year planning and review expenditures to determine the most efficient ways to spend public dollars. The discretionary costs that Legal Aid works with are few and far between.

3 YEAR STATISTICAL SUMMARY

PLEASE REFER TO GLOSSARY	2011/12	2010/11	2009/10
Applications Received	21,624	22,849	23,907
Denied Applications	2,976	2,807	3,187
Discontinued Applications [1]	903	N/A	N/A
Full Service Applications			
Criminal Adult (staff)	9,719	11,795	11,955
Criminal Youth (staff)	3,381	3,835	3,763
Family (staff)	3,337	3,677	3,299
Total Staff	16,437	N/A	N/A
Criminal Adult (PB) [2]	927	1,113	1,124
Criminal Youth (PB)	341	N/A [3]	N/A
Family (PB)	166	170	144
Total Private Bar	1,434	1,283	1,268
Total Intake	17,871	19,312	19,027
Completed Cases [4]			
Criminal Adult (staff)	9,640	10,664	12,511
Criminal Youth (staff)	3,358	3,657	3,903
Family (staff)	3,085	2,399	2,923
Total Staff Closed	16,083	16,720	19,337
Total Private Bar Closed	1,338	1,187	1,434
Abandoned Files			
Criminal	1,432	N/A	N/A
Family	1,408	N/A	N/A
Total Abandoned	2,840	N/A	N/A
Other Services			
Duty Counsel Advice	14,478	14,126	12,802
Duty Counsel Service	3,876	3,322	3,620
Summary Advice [5]	469	2,146	3,904
Incoming Recipriocals	79	70	70
Outgoing Reciprocals	103	113	91
Appeals Against Denials	811	869	925

[1] This is a new status this year. Some of these cases may have been counted in the Full Service Applications in previous years which may account for any discrepancies between previous year's numbers.

[2] PB is work done by a Private Bar lawyer on contract.

[3] Previous years combine Adult and Youth criminal files so between this year's and previous year's we were unable to break out for comparison.

[4] Includes cases closed as MATTER COMPLETE and CLIENT ABANDONED; Abandoned files are broken out for the first time below.

[5] A change in definition for counting Summary Advice files resulted in drastic change in statistics – these files only include advice provided by a lawyer; previous years included administrative advice provided by support staff.

AREA OFFICE APPLICATION INTAKE BY STATUS

AREA OFFICE	COMPLETED	ONGOING	ABANDONED	PENDING	DENIED	DISCONTINUED	AWAITING TRANSFER	TOTAL
Battlefords	1,187	493	89	19	317	5	0	2,110
Meadow Lake	732	532	153	26	252	5	6	1,706
Melfort	347	1	40	193	87	7	0	675
Moose Jaw	188	272	41	5	144	24	3	677
Northern	763	126	74	298	49	3	0	1,313
Prince Albert	1,262	558	291	420	364	601	6	3,502
Regina City	1054	714	294	431	572	7	16	3,088
Regina Rural	622	582	37	16	20	0	3	1,280
Saskatoon City Criminal	882	529	142	231	801	195	8	2,788
Saskatoon City Family	98	379	109	7	129	0	0	722
Saskatoon Rural	237	209	96	9	57	0	1	630
South East	119	62	55	133	45	6	0	420
Swift Current	155	64	26	22	46	6	0	319
Yorkton	498	450	11	54	93	23	0	1,129
Grand Total	8,144	4,971	1,458	1,864	2,976	903	43	20,359

This table shows a snapshot of files taken into an office between April 1st, 2011 and March 31st, 2012. Statuses of the files are as of March 31st, 2012.

DEFINITIONS OF STATUS

COMPLETED
These are applications that were opened up with a service date on or after April 1st, 2011 and were listed as MATTER COMPLETE as of March 31st, 2012. This presumes that the client received the legal services they requested and the matter is now concluded.

ONGOING
These are applications that are approved on or after April 1st, 2011 and a lawyer has provide some level of legal service to the client. The file is still ongoing as of March 31st, 2011 and could end up completed, abandoned, or denied in the future.

ABANDONED
These are applications that were opened and approved on or after April 1st, 2011 and a lawyer has provide some level of legal service to the client. Before March 31st, 2012 the client was responsible for ending the relationship with Legal Aid either through dismissing their lawyer, losing contact, or another miscellaneous reason.

PENDING
These are applications that have been taken as of April 1st, 2011 but the client has yet to have interacted with a lawyer or legal assistant and may not have received any legal services from Legal Aid as of March 31st, 2012. These files could end up completed, approved, abandoned, denied, outgoing reciprocal, or discontinued.

DENIED
These are applications that were opened as of April 1st, 2011 but have been denied as of March 31st, 2012. Although most applications are denied at the beginning of the application process some of these clients may have received legal service from Legal Aid during the active time of their case.

DISCONTINUED
These are applications that were opened up with a service date on or after April 1st, 2011 and the client only received administrative service from Legal Aid (ie: application forms, appointments made with lawyers) and never received the legal services of a lawyer before losing contact with the office. As of March 31st, 2012 an administrative decision has been made to close the file as a discontinued application.

AWATING TRANSFER
Those files that were being sent to other area offices or the private bar but had not been approved to do so, as of March 31st, 2012.

OTHER SERVICES BY AREA OFFICE

AREA OFFICE	DUTY COUNSEL SERVICE	SUMMARY ADVICE	DUTY COUNSEL ADVICE
Battlefords	0	28	0
Meadow Lake	0	7	3
Melfort	0	7	0
Moose Jaw	0	84	29
Northern	0	60	6
Prince Albert	0	4	16
Regina City	1,423	36	2
Regina Rural	0	67	23
Saskatoon City Criminal	2,453	5	1
Saskatoon Rural	0	48	0
South East	0	19	0
Swift Current	0	82	2
Yorkton	0	22	4
Private Bar Lawyers	**0**	**0**	**14,392**
Total Intake	**3,876**	**469**	**14,478**

A FULL YEAR WITH A NEW DATABASE

Avid readers of our Annual Report will note some changes in our statistics this year. These changes are primarily due to our first full fiscal year with our Legal Aid Information Network (LAIN). LAIN has not only allowed us to capture data in new and importan: ways it has given us pause to review our practices and procedures for collecting that data. Our ultimate goal is to reflect the client experience; by looking at our data we should be able to trace a client's journey through our administrative and legal services. The better reflection we have of the client experience, the better we are able to use the da'a to improve that experience.

By spending time and energy on improving our data collection processes we inherently make it more difficult to compare ourselves directly to our past data. Whenever possible, we've tried to show comparisons to previous years but in some cases we are collecting new statistics and that comparison is simply not possible. We've offered a few explanations to some of the changes we've seen in our data below:

DENIED APPLICATIONS

By cross referencing the notice of denials we have had sent to Central Office with the number of denials in our database, we realized there was confusion amongst staff regarding a client's need for a denial letter and how the designation should be listed in the database. Correcting that this year we see an increase in the denied stats but it is in-line with how many denial letters we have been sending out. The net result is that we don't believe we are denying more people, just recording it more accurately.

DISCONTINUED APPLICATIONS

This is a new status in LAIN and it refers to applications that are enterd into LAIN but the client never shows up for their first appointment with a lawyer. The client isn't denied service so they are not listed as such, they simply have not returned. Previously these files may have been closed off as abandoned or matter complete, skewing our perception of the client experience.

PRIVATE BAR

Before LAIN, Private Bar farm outs were tracked separately, outside of the database. What resulted was potential double counting of a case that may have shown up in an area offices count but also in our private bar count.

ABANDONED

Before LAIN, abandoned cases were counted as part of the "closed" caseload. Abandoned files are those files where the client loses contact with the area office, fails to show for appointments, or ends up dismissing their lawyer and dealing with their matter outside of Legal Aid. We now have the ability to pull that information out specifically.

SUMMARY ADVICE

The Canadian Centre for Justice Statistics (CCJS) indicates that summary advice can only be provided by a lawyer. It appears that in past years we included advice given on administrative issues that should not have been included.

SOURCES OF FUNDING *(See Table A)*
In 2011-2012, Legal Aid Saskatchewan received funding from three sources:

- Funds appropriated by the Provincial Government through the Ministry of Justice.
- Client contributions, costs awarded by the Court on behalf of clients, interest earned on monies invested, and miscellaneous receipts.
- Grants from the Law Foundation of Saskatchewan Legal Aid Endowment Fund Trust for Special Projects.
- The Government of Canada reimbursed the Province for some of the legal aid expenditures on federal criminal matters (adult and youth). The contribution agreement was renewed to March 31, 2012.

DISTRIBUTION OF FUNDING *(See Table B)*
In 2011-2012, The Saskatchewan Legal Aid Commission's budget of $22 million was divided into the two general areas of direct legal service and administration.

SIGNIFICANT PRESSURES ON THE COMMISSION'S BUDGET - COURT ADMINISTRATION
As an integral part of the justice system, changes to the administration of our courts has a significant impact on the resources of Legal Aid. Even a marginal change in court commitments can affect the staffing structure of our offices. Adding one or two court points to an office's responsibility may not increase caseload but it does use up Legal Aid's most precious commodity – time. Time is needed to travel to court points; time is spent waiting in court until it is our client's turn in the queue; time that must be taken from interviewing and preparing cases for client's from other cases. Although Legal Aid only serves a portion of the accused at a court point it must attend all of the proceedings at that point as our clients may be scattered through the docket of the day and remain the whole time.

Another administrative practice of the courts that places pressure on Legal Aid is related to how in-custody clients are managed. Rightly so, in-custody clients are given deference and the immediate goal of Legal Aid is to get our clients released. These types of cases, although generally less work than a full service case, require quick turnaround times and allow for less preparation and client interaction. As courts change their practices for handling in-custody clients and the number of times they hold "custody court" Legal Aid has no choice but to respond. Invariably resources become taxed and time commitments of lawyers increase.

Table A	2011-12	2010-11	2009-10	2008-09
Operating Fund Revenue	$22,189,180	$21,561,162	$21,489,727	$29,590,059
Operating Fund Expenses [1]	$22,295,169	$21,163,936	$21,387,081	$20,494,602
Operating Fund (Deficiency) of Revenue over Expenditures	($105,989)	$397,226	$102,646	$96,357
Investment in Capital Assets Fund	$359,757	$475,867	$594,423	$276,539
Unrestricted Assets, end of year	$696,030	$802,018	$404,792	$302,146
Contribution of the Federal Government - Adult Criminal and Young Offenders [2]	$4,202,560	$4,202,560	$4,202,560	$4,202,560
Per Capita Expenditures on Legal Aid	$20.88	$20.12	$20.88	$20.04
Number of members of the Private Bar actively involved in providing services under The Legal Aid Act	111	112	126	132

[1] The Operating Fund Expenses represent the operating fund activities which include expenses for Direct Legal Service, Administration and purchase of capital assets.
[2] According to Saskatchewan Justice records.

PRIVATE BAR APPOINTMENTS

Private bar appointments remain a volatile area for the organization due to the difficulty of predicting the need for external lawyers due to illness, staffing changes, and conflict situations. While every effort is made to keep these costs low and stable, pressure on the budget is difficult to anticipate.

In 2011-12, costs associated with private bar appointments were much less than budgeted. There have been several staff lawyer vacancies in several offices this past year, however there was only a slight increase to the number of appointments made to the private bar when compared to the previous year. The number and type of appointment sent to the private bar depends on a few factor such as: conflicts of interest, staff vacancies, and staff workload. It should be noted that the tariff rate of pay to private bar lawyers was increased by 5% effective October 1, 2011.

INFORMATION TECHNOLOGY RESOURCING

Legal Aid recognizes that technology is always evolving and in the 2011/12 fiscal period, Legal Aid refreshed all of its workstations, servers, and backup devices. With the introduction of the Legal Aid Information Network in the previous year and with its limited resources, legal aid expanded its technical environment to include hosting of several critical operating platforms in a virtualized hosted environment. Also during the year, rather than outsourcing all of its technical support, Legal Aid hired an Information Technology System Support officer as an internal resource. It is hoped that this action will ultimately lead to lower costs and increased capacity, but during the transition phase we have been required to cover costs of the position while still covering costs of our contracted IT position.

Table B	2010-11 Actuals (in $=000s)	2011-12 Planned (in $=000s)	2011-12 Actuals (in $=000s)	2012-13 Planned [1] (in $=000s)
Operating Fund Revenue				
Appropriation	$21,371	$21,863	$22,063	$22,494
Other	$190	$128	$126	$123
Total	**$21,561**	**$21,991**	**$22,189**	**$22,617**
Operating Fund Expenses				
Direct Legal Service [2]	$18,708	$20,097	$19,545	$20,785
Administration [3]	$2,411	$2,798	$2,671	$2,458
Sub-total	**$21,119**	**$22,895**	**$22,216**	**$23,243**
Purchase of Capital Assets [4]	$45	$67	$79	$20
Total	**$21,164**	**$22,962**	**$22,295**	**$23,263**
Operating Fund Excess (Deficiency) of Revenue over Expenditure	$397	($971)	($106)	($646)

[1] Actuals results for 2012/13 may vary from planned expenditures for many reasons, some of which are mentioned previously under Significant Pressures on the Budget.
[2] Direct Legal Service expenditures include salaries & benefits, travel, provision of legal services, and other legal expenses.
[3] Administrative expenditures include accommodation, telephone, postage, stationery & office supplies, periodicals, photocopying, and other operating expenses.
[4] Purchase of Capital Assets are included in the Operating Fund activities of the Commission. However, for financial reporting the purchases are recorded as an increase to Capital Asset costs on the Statement of Financial Position.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Management is responsible for the integrity of the financial information reported by The Saskatchewan Legal Aid Commission. Fulfilling this responsibility requires the preparation and presentation of financial statements and other financial information according to generally accepted accounting principles. These recommendations are consistently applied, with any exceptions specifically described in the financial statements.

The accounting systems used by the Commission include an appropriate system of internal controls to provide reasonable assurance that:

- transactions are authorized;

- the Commission's assets are properly kept and financial reports are properly monitored to ensure reliable information is provided for preparation of financial statements and other information;

- the accounts are properly kept and financial reports are properly monitored to ensure reliable information is provided for preparation of financial statements and other financial information.

To ensure management meets its responsibilities for financial reporting and internal control, the members of The Saskatchewan Legal Aid Commission discuss audit and reporting matters with representatives of management at regular meetings.

The members of the Commission have also reviewed the financial statements with representatives of management. The Provincial Auditor of Saskatchewan has audited The Saskatchewan Legal Aid Commission's statement of financial position as at March 31, 2012, and the statement of operations and changes in the fund balances, and cash flows for the year then ended.

Their responsibility is to express an opinion on the fairness of management's financial statements. The Auditor's Report outlines the scope of their audit and their opinion.

Craig W.J. Goebel
Chief Executive Officer

Jerome Boyko, B.Comm., CA,
Director of Finance

PROVINCIAL AUDITOR
of Saskatchewan

INDEPENDENT AUDITOR'S REPORT

To: The Members of the Legislative Assembly of Saskatchewan

I have audited the accompanying financial statements of Saskatchewan Legal Aid Commission, which comprise the statement of financial position as at March 31, 2012, and the statement of operations and changes in fund balances and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations for Treasury Board's approval, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

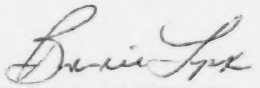
My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of Saskatchewan Legal Aid Commission as at March 31, 2012, and the results of its operations and changes in fund balances, and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.



Regina, Saskatchewan
June 22, 2012

Bonnie Lysyk, MBA, CA
Provincial Auditor

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THE SASKATCHEWAN LEGAL AID COMMISSION
STATEMENT OF FINANCIAL POSITION
As at March 31

	2012	2011
ASSETS		
Current		
Cash	$ 2,748,732	$ 2,698,426
Accounts receivable	10,869	62,844
Prepaid expense	148,068	145,453
Total current assets	2,907,669	2,906,723
Capital assets (Note 5)	359,757	475,868
	$ 3,267,426	$ 3,382,591
LIABILITIES		
Current		
Accounts payable and accrued liabilities (Note 6)	$ 2,179,393	$ 2,062,262
Deferred contributions (Note 7)	32,246	42,443
Total current liabilities	2,211,639	2,104,705
FUND BALANCES		
Net assets invested in capital assets fund	359,757	475,868
Operating fund - unrestricted	696,030	802,018
	1,055,787	1,277,886
	$ 3,267,426	$ 3,382,591

(See accompanying notes)

THE SASKATCHEWAN LEGAL AID COMMISSION
STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCES
Year Ended March 31

	2012				2011
	Operating Fund Budget (Note 11)	Operating Fund Actual	Net Assets Invested in Capital Assets Fund Actual	Total	Total
Revenue:					
Ministry of Justice appropriation	$ 21,863,000	$ 22,063,000	$ ---	$ 22,063,000	$21,371,000
Grants (Note 7)	50,000	47,992	---	47,992	139,343
Other	77,555	78,187	---	78,187	83,579
	21,990,555	22,189,179	---	22,189,179	21,593,922
Expenses:					
Salaries and employee benefits	16,458,963	16,157,423	---	16,157,423	15,687,824
Central Office administrative and operating expenses (Schedule 1)	655,329	530,816	117,541	648,357	647,970
Area Office administrative and operating expenses (Schedule 1)	2,143,031	2,140,449	73,053	2,213,502	1,956,380
Provision of legal services	2,750,200	2,449,271	---	2,449,271	2,128,299
Other legal expenses	216,050	186,537	---	186,537	169,326
Travel	671,000	751,448	---	751,448	722,285
Loss on disposal of fixed assets	---	---	4,740	4,740	3,166
	22,894,573	22,215,944	195,334	22,411,278	21,315,250
(Deficiency) excess of revenue over expenses	(904,018)	(26,765)	(195,334)	(222,099)	278,672
Fund Balances, beginning of year	802,018	802,018	475,868	1,277,886	999,214
Transfer between funds (Note 12)	(67,000)	(79,223)	79,223	---	---
Fund Balances, end of year	$ (169,000)	$ 696,030	$ 359,757	$ 1,055,787	$ 1,277,886

(See accompanying notes)

THE SASKATCHEWAN LEGAL AID COMMISSION
STATEMENT OF CASH FLOWS
Year Ended March 31

	2012	2011
Cash provided by (used in)		
OPERATING ACTIVITIES		
Appropriation funds received	$ 22,063,000	$ 21,371,000
Cash received from grants	87,794	50,750
Cash received from other revenue	74,030	77,001
Cash payments for salaries and benefits	(16,640,073)	(15,416,438)
Cash payments for other suppliers	(3,347,181)	(3,277,305)
Cash payments for legal services	(2,108,041)	(2,059,228)
Net cash provided by operating activities	129,529	745,780
INVESTING ACTIVITIES		
Purchase of capital assets	(79,223)	(77,537)
Net increase in cash	50,306	668,243
Cash, beginning of year	2,698,426	2,030,183
Cash, end of year	$ 2,748,732	$ 2,698,426

(See accompanying notes)

THE SASKATCHEWAN LEGAL AID COMMISSION
NOTES TO THE FINANCIAL STATEMENTS
March 31, 2012

The Legal Aid Act came into force on September 1, 1983 by Order in Council 1275/83 and continued The Saskatchewan Community Legal Services Commission as a body corporate under the name of The Saskatchewan Legal Aid Commission (Commission). The purpose of the Commission is to provide legal services to persons and organizations for criminal and civil matters where those persons and organizations are financially unable to secure those services from their own resources.

1. Significant Accounting Policies

These financial statements have been prepared in accordance with Canadian accounting standards for not for profit organizations and include the following significant accounting policies:

a) Fund Accounting

The Commission follows the restricted fund method of accounting for contributions. For financial reporting purposes, the following major funding groups are:

Operating Fund (unrestricted assets)

The Operating Fund reflects the primary operations of the Commission including revenue from the Ministry of Justice for the provision of legal services.

Net Assets Invested in Capital Assets Fund (restricted assets)

Net Assets Invested in Capital Assets Fund reflects the equity of the Commission in capital assets. This fund includes any grants externally restricted for the acquisitions of capital assets. The Commission also imposes a restriction that any capital purchase made with operating funds is recorded as an interfund transfer. Expenses consist primarily of amortization of capital assets.

b) Capital Assets

Capital assets are recorded at cost. Normal repairs and maintenance are expensed as incurred. The capital assets are reduced annually by an amount representing the consumed cost of the asset calculated as follows:

Office Equipment and Furniture	14 2/7% per annum
Legal Aid Information Network (LAIN) Development Costs	33 1/3%per annum
Library	33 1/3% per annum

c) Revenues

The following are included in revenue:

i) Unrestricted contributions are recognized as revenue of the Operating Fund in the year received or receivable.

Other revenue is comprised of client contributions, cost recoveries, interest, and miscellaneous receipts.

ii) Restricted contributions related to capital assets are recognized as revenue of the Net Assets Invested in Capital Assets Fund in the year received or receivable.

d) Financial Instruments

The Commission classifies its financial instruments into one of the following categories: 1) held-for-trading, 2) loans and receivables, and 3) other financial liabilities.

All financial instruments are measured at fair value upon initial recognition. Cash is classified as held-for-trading and is measured at the fair value with changes in fair value recognized in net income. Accounts receivable are classified as loans and receivables and are measured at amortized cost. Accounts payable and accrued liabilities are classified as other financial liabilities and are measured at amortized cost.

The Commission does not have any embedded derivatives in host contracts.

2. Financial Risk Management

The management of the Commission mitigates the risks associated with financial instruments with regular reporting to the members of the Commission.

Credit Risk:
Credit risk is the risk that one party to a transaction will fail to discharge an obligation and cause the other party to incur a financial loss. The Commission's exposure to credit risk is from the potential of non-payment of grants or accounts receivable. The credit risk on the receivables is not material as most grants are paid from the provincial appropriations and the other receivables are comprised of small amounts from contributions from clients.

Liquidity Risk:
Liquidity risk is the risk that the Commission is unable to meet its financial commitments as they become due. The Commission manages the liquidity risk from the monthly appropriations it receives from the Saskatchewan Ministry of Justice.

Market Risk:
Market risk represents the potential for loss from changes in the value of financial instruments due to changes in the market conditions. The Commission does not have any exposure to market risk.

3. Capital Management

The Commission's objective when managing its fund balances is to ensure adequate funding exists to support the operations and growth strategies of the Commission.

The Commission obtains its funding from provincial appropriations through the Ministry of Justice. The Commission capital structure consists of two major funding groups that are outlined in note 1 a). The Commission does not have any debt.

The Commission monitors and assesses its financial performance by a monthly variance analysis of actual and yearly projections to approved budget. The budget and variance analysis is approved by the members of the Commission. The management of the Commission also provide an appropriation forecast to the Ministry of Justice.

4. Pension Plan

The Commission participates in a defined contribution pension plan for the benefit of its employees. The Commission's financial obligation to The Staff Pension Plan for Employees of The Saskatchewan Legal Aid Commission (Plan) is limited to making regular payments to match the amounts contributed by the employees for current service. The Commission's annual pension expense included in salaries and benefits for 2012 amounted to $759,742 (2011 - $683,428).

The Plan is administered and sponsored by a joint trustees arrangement. The joint trustees consist of four members, two appointed by the Commission and two appointed by C.U.P.E. Local 1949. The Commission provides day-to-day administration for the Trustees without charge to the Plan. Certain administration expenses of the Plan are initially paid by the commission and are subsequently refunded by the Plan. As at March 31, 2012, the Plan owed the Commission $3,603 (2011 – $3,450).

5. Capital Assets

Capital assets are comprised of the following amounts:

	2012			2011		
	Cost	Accumulated Amortization	Net Book Value	Cost	Accumulated Amortization	Net Book Value
Office equipment and furniture	$ 971,878	$ 723,126	$ 248,752	$ 929,196	$ 671,477	$ 257,719
LAIN Development Costs	321,432	214,288	107,144	321,432	107,144	214,288
Library	470,139	466,278	3,861	470,139	466,278	3,861
	$1,763,449	$ 1,403,692	$ 359,757	$1,720,767	$ 1,244,899	$ 475,868

Library assets have been fully amortized. Therefore, the net book value represents each book valued at $1. No amortization has been recognized in the period.

6. Accounts Payable and Accrued Liabilities

	2012	2011
Supplies and services	$ 495,447	$ 239,510
Accrued private solicitors' fees	1,450,942	1,109,712
Employee salaries and benefits	233,004	713,040
	$ 2,179,393	$ 2,062,262

7. Deferred Contributions and Grants

Deferred operating contributions represent externally restricted grants and contributions for which the related expenditures have not been incurred.

	2012	2011
Balance, beginning of year	$ 42,443	$ 81,036
Add: Grant contributions received or receivable in the year		
Law Foundation of Saskatchewan	---	17,240
Law Foundation of Saskatchewan Legal Aid Endowment Fund Trust	37,795	50,750
Less: Amounts recognized as revenue in the year	(47,992)	(106,583)
Balance, end of year	$ 32,246	$ 42,443

Also, during the year, the Law Foundation of Saskatchewan provided funds in the amount of $nil (2011 - $32,760) which were recorded as revenue in the Net Assets Invested in Capital Assets Fund.

8. Measurement Uncertainty

The preparation of financial statements in accordance with Canadian accounting standards for not for profit organizations requires management to make estimates and assumptions on accrued private solicitors' fees that affect the reported amount of accounts payable and accrued liabilities at the date of the financial statements and the reported amount of expenses during the reported period. These estimates are reviewed periodically and, as adjustments become necessary, they are reported in earnings in the period in which they become known.

9. Related Party Transactions

Included in these financial statements are transactions with various Saskatchewan Crown corporations, ministries, agencies, boards and commissions related to the Commission by virtue of common control by the Government of Saskatchewan and non-Crown corporations and enterprises subject to joint control or significant influence by the Government of Saskatchewan (collectively referred to as "related parties").

Facilities, vehicle rentals, office supplies, and miscellaneous office services are acquired from a related party. These transactions are recorded at rates which are determined primarily on the basis of recovery of the costs incurred by the related party. These transactions and amounts outstanding at year end are as follows:

	2012	2011
Expenses	$ 1,501,263	$ 1,516,206
Accounts payable	62,748	743

Other operating transactions with related parties are settled at prevailing market prices under normal trade terms. These transactions and amounts outstanding at year end are as follows:

	2012	2011
Expenses	$ 623,278	$ 404,401
Other revenue	---	420
Accounts payable	268,925	103,937

In addition, the Commission pays Provincial Sales Tax on all its taxable purchases. The Commission also received transcripts without charge from the Ministry of Justice, Transcript Services.

During the year, the Commission made payments of $135,242 (2011 - $127,242) to the Saskatchewan Legal Aid Commission Benefit Plan Surplus Fund (Fund) that is set up under the collective bargaining agreement between C.U.P.E. 1949 and the Commission. As outlined in the agreement, the Fund is jointly administered by the Commission and the Union through the Labour Management Relations Committee. The Commission provides the Fund with day-to-day administration. The intent of the Fund is to cover increased premium costs of the extended health care benefits for members of C.U.P.E. Local 1949. The increased premium costs are initially paid by the Commission and for the year the Fund reimbursed the Commission $111,253 (2011 - $114,975) for the increased premium costs. The balance of this account is $209,772 (2011 - $147,774) and these amounts are not included on the Commission's statement of financial position.

Other transactions with related parties and amounts due to or from them are described separately in these financial statements and the notes thereto.

10. The Law Foundation of Saskatchewan Legal Aid Endowment Fund Trust

A Trust Deed exists between the Law Foundation of Saskatchewan and the Trustees of The Law Foundation of Saskatchewan Legal Aid Endowment Fund Trust (Trust). The Trust has been established with an endowment to assist in the Commission's mandate by:

a) improving access to justice for persons whose own financial resources are inadequate;
b) enhancing the ability of all Commission employees to provide legal aid service to clients, including education, research and the acquisition of research, teaching and library materials by the Commission;

c) providing funds for research in legal and social areas related to legal aid and access to justice; or
d) assisting otherwise in the Commission's mandate in ways not traditionally covered by government funding, and with particular emphasis on novel or innovative programs or delivery methods.

An endowment amount of $2,100,000 (2011 - $2,100,000) has been provided to the Trust and only the net income from the Trust is available for the beneficiaries. The transactions and amounts related to activities of the Trust at year end are as follows:

	2012	2011
Grants	$ 37,795	$ 50,750
Deferred contributions	18,555	28,753

The Trust has five trustees, three of which are members of the Commission. They include:

- The Chair of The Saskatchewan Legal Aid Commission
- A commissioner of The Saskatchewan Legal Aid Commission, appointed by the Law Society of Saskatchewan
- A commissioner of The Saskatchewan Legal Aid Commission, appointed by the Minister of Justice (Saskatchewan)

The Commission has authorized the utilization of its staff as may be reasonably required from time to time to provide administrative support to the Trust at no fee.

11. Budget

These amounts represent the operating budget approved by members of The Saskatchewan Legal Aid Commission.

12. Interfund Transfers

The Commission internally restricted and transferred from the Operating Fund to the Net Assets Invested in Capital Assets Fund $79,223 (2011 - $44,777) for the purchase of capital assets.

13. Future Accounting Policy Change

In September 2010, the Public Sector Accounting Board approved an amendment to the introduction to the Public Sector Accounting Handbook. Effective for fiscal years beginning on or after January 1, 2012, government not for profit organizations are directed to use either the public sector accounting standards or public sector accounting standards for government not for profit organizations. The Commission will be using the public sector accounting standards to prepare its financial statements for the year ending March 31, 2013. The Commission is evaluating the impact that these new standards will have on the financial statements.

Schedule 1

THE SASKATCHEWAN LEGAL AID COMMISSION
SCHEDULE OF ADMINISTRATIVE AND OPERATING EXPENSES
Year Ended March 31

	2012		2011
	Budget	Operating Fund Actual	Operating Fund Actual
Central Office Administrative and Operating Expenses			
Leased accommodation	$ 145,900	$ 117,775	$ 119,157
Computer leases, maintenance, and support	81,359	113,431	98,763
Telephone	19,460	18,285	14,204
Postage	20,800	13,654	11,616
Stationery and office supplies	15,800	9,943	14,758
Periodicals	7,130	1,553	7,069
Photocopying	3,800	2,653	2,614
Expenses related to Endowment Grant revenue	50,000	47,992	57,780
Expenses related to Law Foundation Grant revenue	---	---	48,803
Other operating expenses	311,080	205,530	156,911
Total Central Office Administrative and Operating expenses	$ 655,329	$ 530,816	$ 531,675
Area Office Administrative and Operating Expenses			
Leased accommodation	$ 1,412,420	1,365,727	$ 1,172,862
Computer leases, maintenance, and support	180,441	241,039	181,145
Stationery and office supplies	144,200	116,368	135,407
Telephone	115,540	119,052	119,316
Postage	37,200	42,504	42,898
Periodicals	41,870	48,642	35,928
Photocopying	38,200	37,078	36,121
Other operating expenses	173,160	170,039	156,073
Total Area Office Administrative and Operating Expenses	$ 2,143,031	$ 2,140,449	$ 1,879,750

APPLICATION
Refers to a formal written request for legal assistance. Related legal matters enumerated at the time of application are included on one application, despite the requirement for a court appearance. Separate applications are counted for criminal, family, civil or provincial offence matters. Clients sign applications primarily to attest to their financial eligibility.

APPEAL
Refers to an appeal of a lower court or administrative tribunal decision, not an appeal of a refused application.

APPEAL AGAINST REFUSAL
Refers to an appeal of a refused application for legal services.

BRYDGES SERVICE
Refers to Duty Counsel Advice provided over the telephone by contract lawyers. This service is available to all individuals charged with a crime regardless of range of service or eligibility for the full services of Legal Aid.

DUTY COUNSEL SERVICE
Refers to legal services provided by a lawyer to an individual in custody where the person assisted had not applied in writing requesting legal aid service and results in representation of the individual in court.

DUTY COUNSEL ADVICE
Immediate, although temporary, advice, by telephone or in person, to arrested or detained persons, irrespective of financial status and provided by a staff lawyer of Legal Aid Saskatchewan.

FAMILY MATTERS
Refers to proceedings related to divorce, separation, maintenance, custody/access, and other matters of a family law nature.

FEDERAL CRIMINAL MATTERS (ADULT)
Refers to applications for matters under the Criminal Code of Canada, Narcotic Control Act, Food and Drug Act, or other Federal Statutes if the proceedings are by way of indictment; or, if upon conviction and sentence, there is a likelihood of imprisonment or loss of livelihood.

FEDERAL CRIMINAL MATTERS (YOUTH)
Refers to applications for matters under the Youth Criminal Justice Act.

FINANCIAL INELIGIBILITY
Refers to reasons for refusing an application based on some financial information revealed by the applicant about income, assets and liabilities.

FULL SERVICE APPLICATION
Refers to an application that is granted the full legal services of Legal Aid Saskatchewan

FULL TIME EQUIVALENT (FTE)
Refers to a statistical number that takes into account the number of total hours worked by all employees divided by the maximum number of compensable hours in a work year.

PROVINCIAL OFFENCE MATTERS
Refers to applications for matters under provincial statutes, such as Alcohol Control Act, Wildlife and Parks Act, or Highway Traffic Act.

RECIPROCAL APPLICATION
See Interprovincial reciprocity agreement. Incoming refers to those applications coming from other jurisdictions, while Outgoing refers to those Saskatchewan sends out.

REFUSED APPLICATION
Refers to all formal written requests for legal aid that have been denied legal services due to financial ineligibility, lack of merit or range of service or coverage restrictions.

SUMMARY ADVICE
Refers to the provision of legal advice, information, or any other type of minimal legal service to an individual involving no more than a brief interview or telephone call.